From: Helen Gamsey
To: Microsoft ATR
Date: 1/28/02 5:02pm
Subject: Microsoft settlement

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## Helen B. Gamsey

## 6006 S River Road

Norfolk, VA 23505-4711January 27, 2002

Attorney General John Ashcroft

US Department of Justice, 950 Pennsylvania Avenue, NW

Washington, DC 20530-0001

Dear Mr. Ashcroft:

I am writing you today to voice my opinion in regards to the Microsoft settlement issue. I feel that this debate has gone on long enough and that it is time to end this litigation. After three years of litigation, it is time to focus on more pressing issues. In my opinion, this lawsuit should never have occurred in the first place. Nonetheless, this settlement is the perfect means to end this dispute. Microsoft will remain together and continue designing and marketing their innovative software, while fostering competition and making it easier for other companies to compete. Microsoft has pledged to share more information about Windows operating system products and has agreed to be monitored for compliance.

During these difficult times, it is vital to do all we can to boost our economy. Restricting Microsoft will not accomplish this. This country is at war with a world wide network of Islamic extremists intent on destroying us. The Department of Justice needs to focus on "fixing" the FBI and improving the security of our nation and protecting American citizens against more terrorist attacks. Has this short passage of time since September 11 dulled memories so quickly that we are back to the old games of using lawyers and politicians and the Department of Justice to squash competitors? Are things really back to normal? I don't think so...until the next terrorist attack...

Antitrust laws are not meant to protect competitors against their inability to compete in the marketplace due to their own incompetence...Look who is suing? AOL, Sun Microsystems, Oracle, IBM are multibillion corporations... not mom and pop outfits threatened by a bully...The antitrust laws were meant to protect consumers and to allow fair competition. Consumers are not complaining. However antitrust laws are now being used to protect competitors, and to make trial lawyers even richer,,,at the expense of consumers and the economy. How many companies have been forced into bankruptcy now by trial lawyers over asbestos? 20? 30? 50?

AOL, Time Warner, IBM, Sun Microsystems, Oracle, etc have contributed heavily to politicians for years...long before Microsoft was forced to play this game, as a result of their persistent efforts to prosecute and persecute Microsoft. Should the DOJ continue to 'work' on behalf of Attorney Generals who are receiving large contributions and specific instructions from Microsoft's competitors via ProComp and other such organizations? After all, it was Sun Microsystems' financing of "Project Sherman" which assembled of panel of so called antitrust experts to testify before the DOJ. This panel had worked secretly for months, to 'produce" antitrust charges which would appear credible to the DOJ. Unknowing to the DOJ, these 'experts" were being paid \$600 to \$700 an hour by Microsoft's competitors. Reputable antitrust experts like Carlson produced novel antitrust theories of harm from incomplete foreclosure of market share that even bamboozled the Appeals Court judges; their decision relied on this 'novel' theory...and most of their findings of antitrust violations were based on Carlson's 'novel' theories. Project Sherman, which cost Sun \$3 million, initially convinced the Department of Justice to take this case.

I would think that the Enron scandal would make politicians and regulators more wary of the dangers involved from large contributors... I was surprised to learn the extent of Enron's contributions. They gave \$50,000 to Paul Krugman, from the New York Times, who writes about economic matters, and not too surprisingly, Krugman apparently wrote positive articles in the past about Enron....

I think it was American competitors of GE and Honeywell who gave secret testimony to the EU commission that lead the EU to disallow the GE-Honeywell merger. ge with Honeywell... It was a complaint from Sun Microsystems that lead the European Union to launch an antitrust case against Microsoft by the EU. There is something about certain American companies that borders on treason, in my opinion...when they resort to getting the European Union to crush their competition ..if they can't get the DOJ or FTC to do it... It is telling that Sun Microsystems has 200 lawyers in their legal department, more than many large firms, even in Washington. I think their shareholders might prefer they spent more on improving their products and competing...as their stock continues to decline.

It's the old familiar story as Glassman says. "Pick an unsympathetic target with deep pockets. Generate lots of publicity. Change the laws, if need be." " Then get the company to capitulate." Gee, Jesse Jackson is so good at these tactics of

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getting large corporations to donate to his 'charities; it is not surprising he was involved with the class action lawsuits in California claiming Microsoft discriminated against blacks and then women too. Microsoft was consistently been rated one of the top corporations to work for and one of the most admired companies by Fortune until the trial lawyers and AG and MSFT's competitors started their hatchet jobs and made Microsoft into an 'unsympathetic target." <a href="http://www.techcentralstation.com/1051/techwrapper.jsp?PID=1051-250&CID=1051-012901A">http://www.techcentralstation.com/1051/techwrapper.jsp?PID=1051-250&CID=1051-012901A</a>

The Appeals Court judges in Microsoft's appeal were astonished to learn that **160 million copies of Netscape browsers** were distributed overall, and that their user base **doubled** to 33 million..... in 1998.....when Microsoft's competitors were accusing Microsoft of foreclosing competion. They claimed that Microsoft "threatened to cut off Netscapes air supply," a statement MSFT never made.

Microsoft's competitors lobbied politicians for years before Microsoft was finally forced to join their game and forced to pay this "protection money." "For about 20 years Gates and his colleagues just sat out there in "the other Washington," creating and selling. As the company got bigger, Washington, D.C., politicians and journalists began sneering at Microsoft's political innocence. A congressional aide told the press, "They don't want to play the D.C. game, that's clear, and they've gotten away with it so far. The problem is, in the long run they won't be able to." Politicians told Bill Gates, "Nice little company ya got there. Shame if anything happened to it." And Microsoft got the message: If you want to produce something in America, you'd better play the game. In 1995, after repeated assaults by the Federal Trade Commission and the Justice Department, Microsoft broke down and started playing the Washington game. It hired lobbyists and Washington PR firms. Its executives made political contributions. And every other high-tech company is getting the message, too, which is great news for lobbyists and fundraisers." (but not for consumers or innovators or successful companies..) From "The Theft of Microsoft" by David Boaz. http://www.cato.org/dailys/07-27-00.html

"What lesson should they draw? The antitrust laws are fatally flawed. When our antitrust laws are used by competitors to harm successful companies, when our most innovative companies are under assault from the federal government, when lawyers and politicians decide to restructure the software, credit-card and airline industries, it's time to repeal the antitrust laws and let firms compete in a free marketplace."

"Our tobacco, gun and antitrust laws have essentially been rewritten by state AGs and their trial-lawyer allies. The result, as former Labor Secretary Robert Reich wrote in USA Today, has been "regulation by litigation" - a sorry state of affairs that has cut elected representatives out of the system."

"Political science quiz: Today's category is decision making at the Federal Trade Commission and the Department of Justice."

"Which is more important in the merger approval process?

- 1) a sophisticated economic study prepared by staff economists, complete with extensive industry data, statistical analysis, and tight reasoning,
- 2) a scratchy, three-minute cell-phone call from the secretary of commerce?"

ANSWER: 2) a scratchy, three-minute cell-phone call from the secretary of commerce?"

"In 1991, the Time Warner buyout of Turner Broadcasting zipped past the FTC, despite a staff report branding the merger as anti-competitive. **After Ted Turner and Gerald Levin, the two CEOs involved, visited top officials in Washington, the commissioners tossed the staff work out the window."** From: "Texas Swing: The not-so-shocking reason the Lone Star state chose not to sue Microsoft." By Thomas W. Hazlett REASON August/September 1998 <a href="http://reason.com/9808/col.hazlett.html">http://reason.com/9808/col.hazlett.html</a>

"Did they disagree with the competitive analysis? Was it a difference of opinion as to the cross-elasticity of demand? Or were the politically appointed regulators moved by a higher voice? It would be nice if the pundits who explained our politics to us could see where the politics goes. "That's what "access," and the campaign contributions used to purchase it, are all about."

Somehow this case reminds me of what terrorists living in the US are doing so well.

There are many front groups for violent terrorist groups like Hamas and Islamic Jihad residing in the US, claiming to be think tanks or charitable groups. Organizations like C.A.I.R. or the Council on "American Islamic Relations, **masquerade** as mainstream public affairs organizations. CAIR has taken the lead in trying to mislead the public about the terrorist underpinnings of militant Islamic movements, in particular Hamas. "http://www.geocities.com/CollegePark/6453/emerson.html

CAIR and other such organizations have lobbied to change our US laws, like the use of secret evidence, to make it MTC-00028698\_0003 harder to deport them or to prosecute them; under the guise of protecting our freedom of speech. These terrorists posing as phony charitable groups or think tanks also contribute to politicians and lobbyists and use the media to advance their cause. CAIR has routinely exaggerated or fabricated "hate crimes" against Muslims. Just one example: "CAIR's 1997 report on "hate crimes" labeled the death of Ahmed Abdel Hameed Hamida as a "hate crime." Hamida drove his car into a crowd of Israelis at a Jerusalem bus stop on February 26, 1996, killing one woman and injuring twenty-three other Israelis. He attempted to escape on foot but was shot to death by Israeli civilians. He shouted "Allahu Akbar," (God is Great!) as his car struck the crowd. He had made statements previously affirming his intent to kill Jews. Hamida was a terroris, yet CAIR classified his death as a "hate crime."

Why is this relevant to Microsoft's antitrust case? Microsoft's competitors and these phony front groups are using their influence over the media, and their power from contributions to politicians to give the appearance that they are concerned with civil rights or consumers, when they are only advancing their own agenda, which is harmful to most of us. Microsoft's competitors claim to have the interest of consumers at heart, when in reality their own incompetence lead to their loss of market share. AOL 5 was such a terrible product that even computer experts could not deal with the changes it made to the computer. It changed your default settings and took over. Mossberg from the Wall Street Journal, who has never been a fan of Microsoft, acknowledged this at the time and there were lawsuits over this which somehow failed to make the news. Anyone who has ever used AOL knows about their inferior products and their poor customer service.

"In 1975 Microsoft had 3 employees and revenues of \$16,000. Over the next 25 years they grew to 36,000 employees and revenues of \$20 billion by obsessively figuring out what computer users needed and delivering it to them." "Over the years Gates and his colleagues made a lot of people mad, especially their competitors. Some of those competitors delivered a 222-page white paper in 1996 to Joel Klein, head of the Justice Department's antitrust division, and urged him to do to Microsoft in court what they couldn't do in the marketplace. (Susan Creighton wrote that White Paper). Justice worked closely with the competitors for four years, often showing them sentences or paragraphs in drafts of the department's plans and soliciting their approval. The politics of the case is a far cry from the Platonic ideal of rigorous economists devising the best possible antitrust rules and wise, disinterested judges carefully weighing the evidence." Microsoft's competitors have used the Department of Justice to try to take not just their money but their intellectual property as well.

From "The Theft of Microsoft" by David Boaz. http://www.cato.org/dailys/07-27-00.html

"In antitrust circles, Creighton is a card-carrying anti-Microsoft agitator. Creighton is now the deputy director for the FTC. I hope she has recused herself from any involvement in this case. " Five years ago -- while her then-partner Gary Reback played a more public role -- Creighton penned the infamous white paper commissioned by Netscape." Susan Creighton, and her partner Gary Reback, from Silicon Valley's Wilson Sonsini Goodrich & Rosati. Creighton "helped ignite the government's landmark case against the monopolist from Redmond, Wash. ""Microsoft's Captain Ahab" by Krysten Crawford, from The American Lawyer August 22, 2001from <a href="http://www.law.com">http://www.law.com</a>

"Bill Gates draws praise from the cultural elite when he gives away his money -- and he has given away more than \$20 billion; the Bill and Melissa Gates foundation has given more than any other philanthropist foundation. Yet those contributions pale when compared to the g Microsoft's great contributions to the technological and economic advances of the last decade. It would be a shame to see Microsoft's assets and intellectual property distributed to greedy conniving corporations and lawyers and publicity seeking Attorney Generals trying to further their careers.

Mr. Tunney is now complaining about the way Microsoft has reported their political contribution. I doubt he is really impartial. Robert Bork was a prominent foe of antitrust law in the 1970's, and a colleague of Judge Posner. Bork though as 'changed' sides and became very 'pro-antitrust' when hired by Microsoft's competitors.

I sincerely hope the Department of Justice accepts this settlement and puts an end to this mess and turns their attention to real threats to the Nation- the terrorists who want to destroy the West. Caving into Microsoft's major competitors who are behind the Attorney Generals hurt consumers and the economy further. Let them innovate like Microsoft does, rather than litigate.

Thank you for your attention.

Sincerely,

Helen B. Gamsey

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Helen Gamsey